



United FCS

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August 15, 2008

Gary K. Van Meter
Deputy Director
Office of Regulatory Policy
Farm Credit Administration
1501 Farm Credit Drive
McLean, VA 22102-5090

RE: Mission-Related and Rural Community Investments

Dear Mr. Van Meter,

We are writing in support of the Farm Credit Administrations (FCA) proposed new rule, §615.5176, which we believe better enables the Farm Credit System to effectively serve the capital needs of rural America. United FCS is endorsing this productive enhancement to FCA Regulations on behalf of our 4,500 farmer/members, most of whom reside in 22 rural counties in Minnesota and Wisconsin. As a cooperative organized, owned, governed and operated for the benefit of our farmer/members, we are attuned to the capital needs of rural America and are witness to the negative effects that result from inadequate capital flow to rural communities. We are also acutely aware of the aging infrastructure in many rural areas and the challenges communities face in raising funds to modernize local infrastructure.

The proposed rule clarifies and refines existing authorities contained in the Farm Credit Act in a very focused and balanced approach. We believe that the new proposed rule places proper emphasis on encouraging cooperation and collaboration amongst financial institutions and various agencies charged with rural development. The proposed rule also establishes sound standards and constructive guidelines for effective administration of the authorities.

The Farm Credit System is uniquely equipped to serve the financial and capital needs of rural America. As a regionally based, cooperatively owned system, Farm Credit institutions have an efficient delivery system and broad resources available to serve the capital needs of rural America.

Our experience and participation in FCA-approved rural investment pilot programs have allowed United FCS to play a positive role in improving the well-being of farmers and the rural communities where they reside. Pilot programs have also allowed United FCS to demonstrate the value of collaborating with local financial institutions to work together, in true cooperative spirit, to support strong and vibrant rural communities. By codifying the Rural Community Investment Authority, System institutions will be better equipped to fulfill our obligations under the Farm Credit Act, our ongoing responsibilities to our members and will allow us to better serve the rural communities where we reside.

Sincerely,

Mark Parker, Board Chair

Marcus L. Knisely, CEO